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MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

T3, 2017/2018

BHR7094 – HUMAN RESOURCE MANAGEMENT
(MBA Full Time)

6 JUNE 2018
9.00 a.m – 12.00 p.m
(3 Hours)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **FIVE (5)** pages including this cover page.
2. **SECTION A:** Case Analysis (40 marks)
3. **SECTION B:** Short Essay (60 marks)
4. The total marks for this exam is 100.
5. Please write your answers in the Answer Booklet provided.

SECTION A:**QUESTION NO. 1**

Read the Case Study below and answer the following questions. (20 marks)

Application Case: Ya Kun Kaya International

Ya Kun was founded in 1944 by Loi Ah Koon, as a coffee shop that served coffee, tea, eggs, and toast. Ya Kun International moved to Singapore in 2001, where it now has 32 outlets, and has 27 franchise outlets in other parts of Asia. Its overseas outlets are located in Indonesia, Taiwan, Japan, South Korea, Vietnam, and the Philippines.

Ya Kun has a family-style work environment and an established promotion from within policy. There is also a strong emphasis on team work, where helping one another is the norm, even between employees across outlets and departments. The top management reinforces this teamwork culture at Ya Kun. The organisation also has a very flat structure, where the staff feels comfortable approaching their superiors to discuss their problems or suggestions for improvements.

Job openings for the outlet staff are advertised in Chinese and English newspapers, as well as through recruitment notice at Ya Kun outlets. Applicants who respond to their advertisements are invited for interviews. Applicants go through two rounds of interviews—one with the senior area manager and one with the operations manager. Job applicants are screened primarily for their level of commitment and willingness to learn, the necessary skills to excel in the job can easily be taught. Successful applicants then go through 2 weeks of training and remain on probation for 3 months. Most of Ya Kun Singapore's outlet are more than 30 years of age because mature workers generally have better work attitudes and exhibit a higher level of job commitment. Also, the majority of the outlet staff are Singaporeans, with a small proportion from Malaysia and China. Most of the outlet staff are full time workers, with some part time staff hired to complement the full time staff when they go on vacation or become ill. The usual operating hours of each outlet are from 7 a.m to 11 p.m., and the staff work 8 hour shifts. Each outlet has about 10 staff working during each of the two shifts. The emphasis on good attitude and character in the selection of outlet staff has helped Ya Kun build a pool of hardworking and committed workers. Loyalty, honesty, and fairness are the most important attributes sought in selecting store managers from among the outlet staff. All these help keep the staff happy and committed to the company, which Ya Kun believes has translated into their serving customers well.

The main challenge Ya Kun faces is recruiting employees with the right attitude, because the technical skills required are relatively easy to learn. Some applicants are unwilling to work shifts, making it difficult for Ya Kun to hire them: shift work is inevitable in the food and beverage retail industry.

Source: *Ya Kun Kaya toast*, retrieved from <http://yakun.com.sg/>, accessed March, 2018.

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- a. Identify the advantages and disadvantages of hiring part-time workers for Ya Kun.
(5 marks)
- b. A good attitude and commitment are two important attributes that Ya Kun looks for in its job applicants. What else can Ya Kun do to get reliable information on these two attributes?
(5 marks)
- c. What suggestions would you give to Ya Kun for improving its recruiting process?
(10 marks)
- (Total 20 marks)**

QUESTION NO. 2

Read the Case Study below and answer the following questions. (20 marks)

The New Safety and Health Program

Hotel Paris's competitive strategy is "To use superior guest service to differentiate the Hotel Paris properties, and to thereby increase the length of stay and return rate of guests, and thus boost revenues and profitability." Human Resource (HR) manager Lisa Cruz must now formulate functional policies and activities that support this competitive strategy and boost performance by eliciting the required employee behaviors and competencies.

While "hazardous conditions" might not be the first thing that comes to mind when you think of hotels, Lisa Cruz knew that hazards and safety were in fact serious issues for Hotel Paris. Indeed, everywhere you look—from the valets leaving car doors open on the driveways to slippery areas around the pools, to thousands of pounds of ammonia, chlorine, and other caustic chemicals that the hotels use each year for cleaning and laundry, they provide a fertile environment for accidents. Obviously, hazardous conditions are bad for Hotel Paris. They are inhumane for the workers. High accident rates probably reduce employee morale and thus service. And accidents raise the company's costs and reduce its profitability, for instance in terms of workers' compensation claims and absences. Lisa knew that she had to clean up her firm's occupational safety and health systems, for its employees' well-being, and to achieve the company's strategic goals.

Lisa and the Chief Financial Officer (CFO) reviewed their company's safety records, and what they found disturbed them deeply. In terms of every safety-related metric they could find, including accident costs per year, lost time due to accidents, workers' compensation per employee, and number of safety training programs per year, Hotel Paris compared unfavorably with most other hotel chains and service firms. "Why, just in terms of extra workers' compensation costs, Hotel Paris must be spending \$500,000 a year more than we should be," said the CFO. And that didn't include lost time due to accidents, or the negative effect accidents had on employee morale, or the cost of litigation (as when, for instance, one guest accidentally burned himself with chlorine that a pool attendant had left unprotected). The CFO authorized Lisa to develop a new safety and health program.

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Lisa and her team began by hiring a safety and health consultant, someone who had been an inspector and then manager with OSHA. Based on their analysis, the team then took numerous steps, including the following. First, specially trained teams consisting of someone from Lisa's HR group, the local hotel's assistant manager, and three local hotel employees went through each local hotel "with a fine tooth comb," as Lisa put it. They used an extensive checklist to identify and eliminate unsafe conditions.

Lisa's team took other steps. They convinced the Hotel Paris's board of directors and chairman and Chief Executive Officer (CEO) to issue a joint statement emphasizing the importance of safety, and the Chief Executive Officer, during a one-month period, visited each hotel to meet with all employees and emphasize safety. Hotel Paris also contracted with a safety training company. This firm created special online safety programs for the company's managers, and developed five-day training seminars for the hotels' staff.

The new programs seem to be effective. Lisa and the CFO were pleased to find, after about a year, that accident costs per year, lost time due to accidents, and workers' compensation expenses were all down at least by 40%. And anecdotal evidence from supervisors suggested that employees feel better about the company's commitment to them, and were providing better service as a result.

Source: *Dessler, G. (2016), Human Resource Management, 16th Edition, Global Edition, Pearson*

- a. Based on what you read in this case study, what is the first step you would have advised Hotel Paris to take as part of its new safety and health program, and why?
(5 marks)
- b. List **5 (FIVE)** specific high-risk areas in a typical hotel you believe Lisa and her team should look at now, including examples of the safety or health hazards that they should look for.
(5 marks)
- c. Give **3 (THREE)** specific examples of how Hotel Paris can use HR practices to improve its safety efforts.
(10 marks)

(Total 20 marks)

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SECTION B

Answer any **THREE (3)** questions in Section B. Each question carries equal marks.

QUESTION ONE (20 marks)

- a. Identify the three distinct functions carried out by human resource managers. Describe each function of the human resource manager. **(10 marks)**
- b. Define the concept of high-performance work system. What role does strategic human resource management play in a high-performance work system? **(10 marks)**

QUESTION 2 (20 marks)

- a. Identify the relevant guidelines that supervisors should follow to hold effective appraisals. Discuss how rating committees improve the fairness of the appraisal process. **(10 marks)**
- b. In a brief essay, discuss the purpose of job evaluations. Discuss the similarities and differences between job evaluations conducted for managerial positions and lower level positions at a firm. **(10 marks)**

QUESTION 3 (20 marks)

- a. You are the Chief Executive Officer of Blue Bay Motor Boat Company, a mid-size firm that manufactures speed boats. What incentive plan would you implement for the firm's engineers? What incentive plan would you implement for the firm's managers? **(10 marks)**
- b. Define the concept of on-the-job training. Identify the types of on-the-job training methods that are most frequently used by employers. **(10 marks)**

QUESTION 4 (20 marks)

- a. There are issues where organizations bring their expatriates home early. Discuss the reasons for these issues. Suggest how firms could ease the transition during repatriation. **(10 marks)**
- b. How do both firms and individuals benefit from fair treatment in the workplace? When employee discipline is necessary, how can firms ensure that the disciplinary process is fair? **(10 marks)**

End of Paper